

Last week my article covering Fed Chairman Ben Bernanke's testimony before Congress was picked up by the office of **Congressman John Campbell** (R-CA). I thought this would be a good opportunity for us to connect so I can learn about

**Congressman John Campbell**

. Also, it would give me a chance to offer him some insights into the conditions savers and retirees are facing under this never-ending ultra-easy monetary policy. I emailed his office, and they agreed to a short phone interview.

As I mentioned in the article last week, **Congressman John Campbell** is the chairman of the Subcommittee on Monetary Policy and Trade. He gave an opening statement before Fed Chairman Bernanke's testimony. It detailed seven risks that

**Congressman Campbell**

believed are "

**exceeding [the] now meager benefits of the current monetary policy."**

His fifth risk involved savers and retirees:

***Number five is that savers and retirees are being forced into riskier assets in the search for some sort of yield. When this unwinds, that is going to be a problem for our savers and retirees. We all in economics learned early on as you get older take less risk but now what we find as people get older they are having to violate that principle and in search of some kind of yield are taking much much greater risk which could be a problem in the future.***

My phone interview was held on Monday. I informed the **Congressman** that many DepositAccounts.com readers feel that the current monetary policy is essentially bailing out large banks, the government and those in debt on the back of savers and retirees. I asked if he thought this was a valid point. The

**Congressman**

said that it was. He continued by saying that when Chairman Bernanke started, there was concern about deflation. The

**Congressman**

said he supported the Fed's monetary policy for awhile to cover for the lack of fiscal policy and to ensure liquidity to prevent the U.S. from slipping into deflation. But it has been going on for so long that "the negatives outweigh the benefits."

In my last question to **Congressman Campbell**, I asked if anyone has requested Chairman

Bernanke to cite studies that quantify the loss of income to retirees due to the current monetary policy. As we saw last week, Chairman Bernanke often downplays the loss based on anecdotal evidence. The **Congressman** thought this was a good question that has not been asked, and he agreed to pursue it.

From my interview with **Congressman Campbell**, it's clear that he is concerned about the risks of the current monetary policy. Many of those risks like high inflation have the potential to greatly harm savers and retirees. I appreciate how the

**Congressman**

is trying to make sure the Fed pays enough attention to these risks. Chairman Bernanke and others at the Fed may be aware of the risks, but are they doing enough to guard against them? An ounce of prevention is worth a pound of cure. Let's make sure the Fed and our government leaders work hard to manage these risks now.

<http://www.depositaccounts.com/blog/2013/03/rep-campbell-talks-with-depositaccountscom-on-the-risks-of-the-feds-monetary-policy.html>